VZCZCXRO4279 PP RUEHLMC DE RUEHLP #1995/01 2602326 ZNY CCCCC ZZH P 162326Z SEP 08 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 8537 INFO RUEHAC/AMEMBASSY ASUNCION 8346 RUEHBO/AMEMBASSY BOGOTA 5701 RUEHBR/AMEMBASSY BRASILIA 9663 RUEHBU/AMEMBASSY BUENOS AIRES 6880 RUEHCV/AMEMBASSY CARACAS 3954 RUEHGE/AMEMBASSY GEORGETOWN 0835 RUEHPE/AMEMBASSY LIMA 4263 RUEHMD/AMEMBASSY MADRID 4236 RUEHMN/AMEMBASSY MONTEVIDEO 5778 RUEHPO/AMEMBASSY PARAMARIBO 0495 RUEHQT/AMEMBASSY QUITO 6571 RUEHSG/AMEMBASSY SANTIAGO 1326 RUEHRI/AMCONSUL RIO DE JANEIRO 1036 RUEHSO/AMCONSUL SAO PAULO 2334 RUEABND/DEA HQS WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RUEHBS/USEU BRUSSELS RUEKJCS/SECDEF WASHINGTON DC RUEHUB/USINT HAVANA 1422 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 001995

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STATE FOR INL/LP

E.O. 12958: DECL: 09/17/2018

TAGS: <u>ASEC</u> <u>BL</u> <u>PGOV</u> <u>PHUM</u> <u>PINR</u> <u>PREL</u> <u>SNAR</u>

SUBJECT: BOLIVIA: REACTION TO "DECERTIFICATION"

Classified By: CDA Krishna Urs for reasons 1.4 (b) and (d).

THE FOREIGN MINISTRY

- 11. (C) The Charge notifified VFM Hugo Fernandez (FM Choquehuanca was not available) at 1600 that President Bush had found that Bolivia had failed demonstrably to cooperate in accordance with its bilateral and international obligations. The Charge explained the reasons for the decision: inadequate control of the legal and illegal coca trades, an intention to increase legal coca cultivation from 12,000 to 20,000 hectares, the expulsion of USAID and DEA from the Chapare, the practice of permitting a cato of coca for farmers in the Chapare, etc. The Charge noted that the President had also decided to provide for a national interest waiver which waived sanctions associated with the decertification decision.
- 12. (C) VFM Fernandez was not surprised by the decision. He said that the waiver was helpful in that it would limit the damage the announcement would cause. Referring to President Morales, Fernandez said that we would have to wait for the reaction, implying that Morales would almost certainly use the news to unleash more verbal attacks on the U.S.

VICE MINISTER OF SOCIAL DEFENSE

13. (C) The Bolivia NAS Director informed the Vice Minister of Social Defense Felipe Caceres (Bolivia's drug czar) of the decision to decertify. Caceres did not appear surprised by the decision and said he was preparing a Counter Narcotics (CN) budget for the rest of 2008 at Minister of Government Alfredo Rada's request. Caceres expects that the Bolivian government will announce the "nationalization" of CN efforts sometime this week in response to decertification. Caceres

made clear that the Bolivian government will continue to accept USG CN assistance, under more national control.

SPECIAL FORCE FOR THE FIGHT AGAINST NARCOTICS TRAFFICKING

14. (C) The Southern Cone Region DEA Director informed Colonel Rene Sanabria, the Director General for the Special Force for the Fight Against Narcotics Trafficking (FELCN) of the decision to decertify with a waiver. Col. Sanabria was surprised by the decision and questioned the difference from last year's decision to certify. The DEA director explained the reasons for the decertification noting that the interdiction component that Sanabria is responsible for was actually deemed adequate. Sanabria said he understood the value in continued DEA cooperation and noted that cabinet ministers and the VM for Social Defense does not completely understand what DEA does. Sanabria agreed with the DEA Director to forcefully make the case to the Bolivian government for the continued presence of DEA in Boliva.

DEMONSTRATIONS?

15. (C) As of 1900 September 16 we have no information of any demonstrations planned against USG interests in the coming days. The Bolivian government has provided appropriate police protection to USG facilities as needed to address the demonstrations of September 15 and 16. Post

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remains alert shoud the "decertification" decision prompt further demonstrations. Post greatly appreciates Washington's decision to delay the announcement so as to avoid the possibility that demonstrators already on the streets could have been redirected to the Embassy.

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